

Overnight gains for the Yen

Investor sentiment remained in a cautious mood yesterday. Data-wise, the macro diary was lacking in top tier releases. The main highlight was US job openings data for July which provided further signs of a softening in the labour market. At the close on Wall Street last night, the S&P 500 was 0.2% lower on the day.

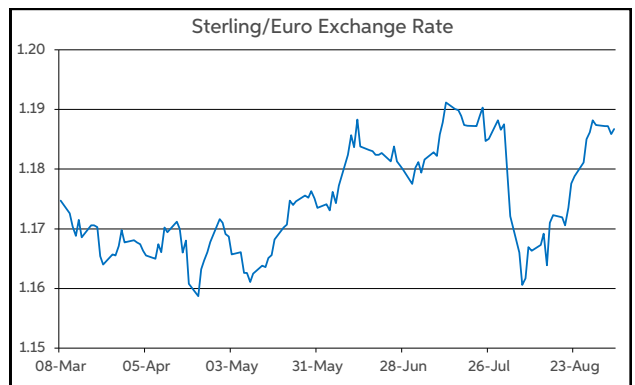
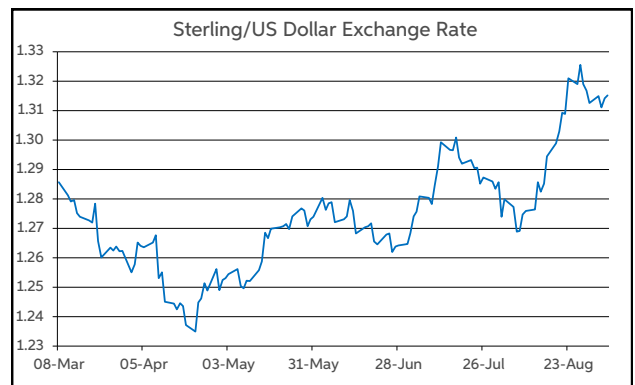
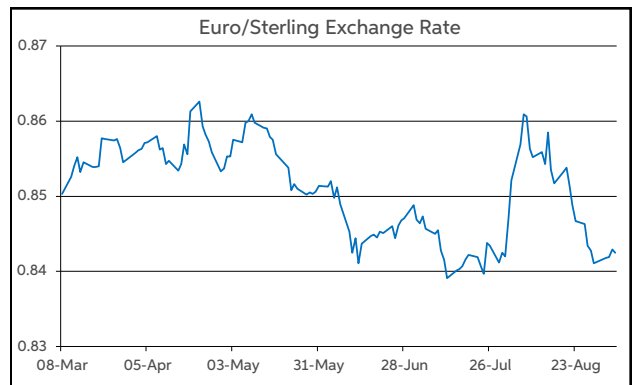
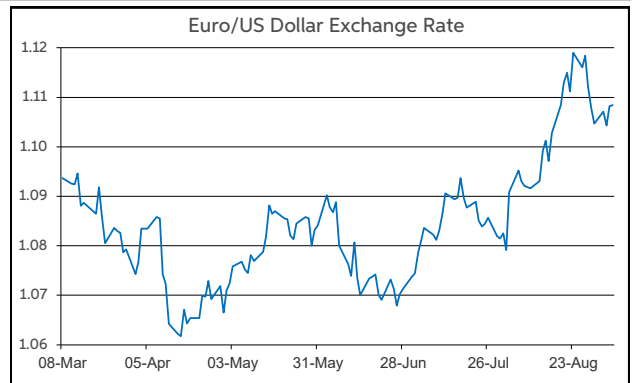
Given the continuation of the cautious tone to risk appetite, bonds remained in favour, evident in yields moving lower. The 10-year German Bund yield traded under the 2.25% mark. Meanwhile, amid more signs of a softening in the US labour market, the 10-year US Treasury yield moved below the 3.8% threshold.

On the currency front, most of main pairs have been, once again, confined to relatively narrow ranges over the past 24 hours. One exception to this has been a notable strengthening in the Japanese yen in overnight trading. This coincided with stronger than expected wage data and hawkish BoJ comments. USD/JPY opens this morning down near to ¥143.

Elsewhere, against the backdrop of lower US yields, the dollar is marginally softer versus the euro and sterling. EUR/USD has edged higher within the upper half of \$1.10-1.11. GBP/USD is changing hands at the midpoint of \$1.31-1.32. Meanwhile, EUR/GBP remains pinned down in the lower end of its 84-85p range.

Looking ahead to today, the macro schedule remains fairly sparse. The main highlight is the US non-manufacturing ISM for August. However, with tomorrow's much anticipated US August payrolls data due, market participants may adopt a wait-and-see mode today. As a result, most of the FX majors may trade within narrow ranges in the lead up tomorrow's US jobs data.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.1084	0.27	0.43
EUR/GBP	0.8425	-0.04	-2.80
GBP/USD	1.3152	0.27	3.32
GBP/EUR	1.1865	0.04	2.88
USD/JPY	143.11	-1.47	1.45
EUR/JPY	158.64	-1.21	1.93

* v Previous Day's European Open
See Next Page for More Rates

Opening Interest Rates						
	Base Rate	Money Market		Swap Rates		
		1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	5.38	5.28	5.26	4.32	3.84	3.54
EUR	4.25	3.56	3.46	2.95	2.59	2.39
GBP	5.00	4.92	4.85	4.40	4.25	3.90

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

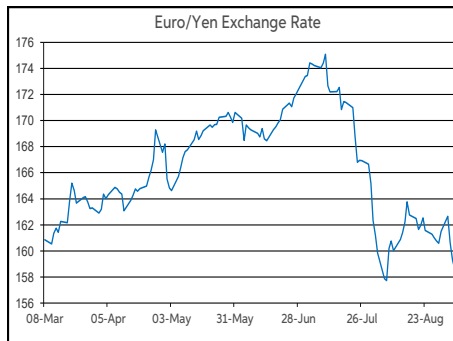
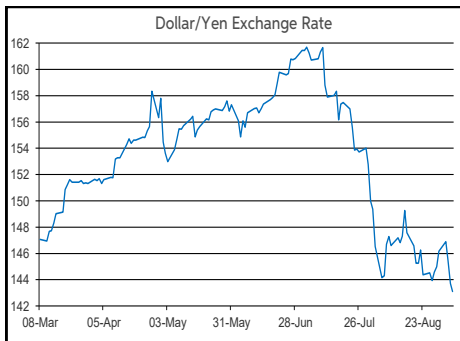
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
---------	----------------------------	------------	------------	---------------	---------------------------	-----------------	-----------------------------------

Opening Levels

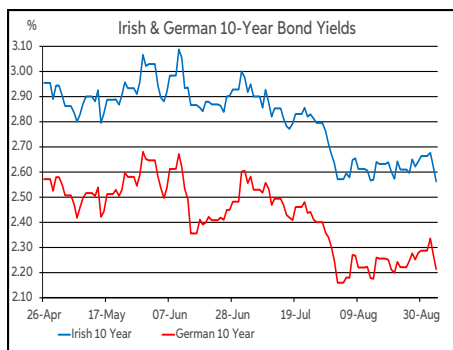
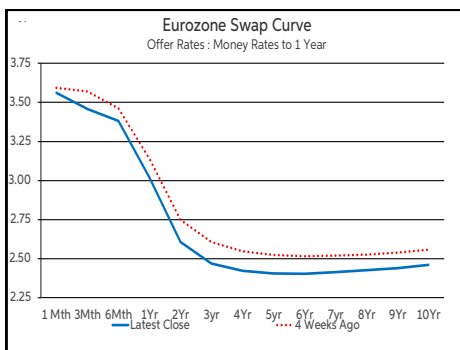
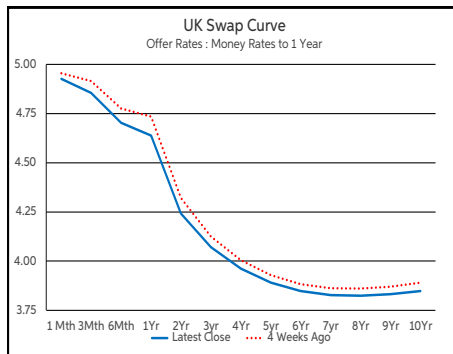
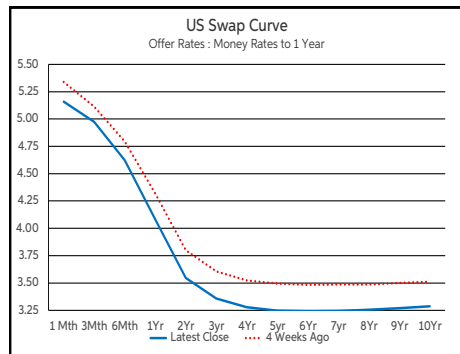
Thursday 05 September 2024
07:23 am



Euro		Sterling		Dollar	
EUR/GBP	0.8425	GBP/EUR	1.1865	USD/JPY	143.11
EUR/USD	1.1084	GBP/USD	1.3152	USD/CAD	1.3502
EUR/JPY	158.64	GBP/CAD	1.7764	USD/CHF	0.8456
EUR/SEK	11.389	GBP/NZD	2.119	USD/CNY	7.0982
EUR/DKK	7.4599	GBP/JPY	188.22	USD/BRL	5.6429
EUR/NOK	11.783	GBP/SEK	13.5145	USD/RUB	89.4
EUR/CHF	0.9371	GBP/DKK	8.8511	USD/INR	83.967
EUR/AUD	1.6481	GBP/NOK	13.9871	AUD/USD	0.6725
EUR/HKD	8.6393	GBP/CHF	1.1122	NZD/USD	0.6208
EUR/CAD	1.4968	GBP/AUD	1.956		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	3.77	-8	-20	-9
Germany	2.22	-6	-5	+19
UK	3.94	-6	-2	+40
5 Year Swap %				
US	3.50	-9	-22	-29
Eurozone	2.41	-5	-11	-2
UK	3.89	-5	-3	+24
2 Year Swap %				
US	3.79	-11	-24	-54
Eurozone	2.61	-4	-13	-19
UK	4.24	-5	-7	-2
10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	+0	-3	+5
Belgium	58	-1	-2	-8
France	72	-1	-3	+19
Italy	137	-3	-7	-30
Spain	82	-2	-4	-15
Portugal	60	-2	-5	-16
Greece	107	-1	-6	+2



Commodities				
	Close	% Change		
		Day	4 Weeks	End 23
Brent Oil	72.7	-1.42	-7.19	-5.63
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2494.2	+0.06	+4.73	+20.93

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by Allied Irish Bank (NI). In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and AIB (NI) are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.